

# ITEL

August 26, 1985

Honorable James H. Bayne, Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

Dear Mr. Bayne:

Pursuant to 49 U.S.C. Section 11303(a) and the Interstate Commerce Commission's rules and regulations thereunder, I enclose herewith on behalf of Itel Rail Corporation for filing and recordation under the Lease Agreement dated as of April 25, 1978 between Itel Corporation, Rail Division as predecessor in interest to Itel Rail Corporation and Mississippi Export Railroad Company which was filed with the I.C.C. on June 27, 1978 and given I.C.C. Recordation No. 9460, four counterparts of the following document:

Amendment No. 2 dated August 23, 1985 to the Lease Agreement dated April 25, 1978 between Itel Corporation, Rail Division and Mississippi Export Railroad Company.

The names and addresses of the parties to the aforementioned are:

1. Itel Rail Corporation (Lessor)  
55 Francisco, 5th Floor  
San Francisco, California 94133
2. Mississippi Export Railroad Company (Lessee)  
Box 743  
Moss Point, Mississippi 39563

The equipment covered by this Amendment is:

1. ninety-seven (97) 70-ton, 50'7", Plate C with nailable steel floors, 10' wide door opening, sliding type doors with end of car cushioning, single sheath, XM boxcars bearing reporting marks MSE 800-855, MSE 857-873 and MSE 876-899;
2. ninety-eight (98) 70-ton, 50'6", Plate C with nailable steel floors, 10' wide door opening, sliding type doors with end of car cushioning, single sheath, XM boxcars bearing reporting marks MSE 900-919, MSE 921-969 and MSE 971-999; and
3. seventy-five (75) 70-ton, 50'6", Plate C with nailable steel floors, center of car cushioning, single sheath, XM boxcars bearing reporting marks MSE 1800-1874.

Also enclosed is a check in the amount of \$10.00 for the required recording fee.

5-261A023

No. SEP 18 1985  
Date .....  
Fee \$ 10.00

ICC Washington, D. C.

## Itel Rail Corporation

55 Francisco Street  
San Francisco, California 94133  
(415) 984-4000

RECORDATION NO. 9460-E  
Filed 1425

SEP 18 1985 - 1 40 PM

FILE FIRST INTERSTATE COMMERCE COMMISSION

we think  
this one is  
9460-E


ICC OFFICE OF  
THE SECRETARY  
SEP 18 1 34 PM '85  
MOTOR OPERATING UNIT

*Charles*

Mr. James H. Bayne, Secretary  
August 26, 1985  
Page Two

Please stamp all counterparts of the enclosed Amendment with your official recording stamp. You will wish to retain one (1) counterpart of the document for your files; it is requested that the remaining three (3) counterparts be returned to the bearer of this document.

Sincerely,

A handwritten signature in cursive script that reads "Denise M. Bottarini".

Denise M. Bottarini  
Senior Legal Assistant

DMB/vdv/86

cc: Howard Chabner  
Robert S. Clark  
J. Michael Kelly  
Ginny Hanger

**Interstate Commerce Commission**  
Washington, D.C. 20423

9/18/85

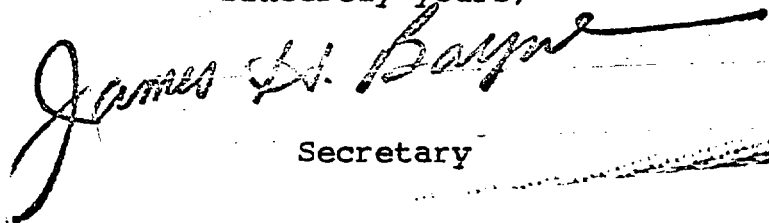
**OFFICE OF THE SECRETARY**

Denise M. Bottarini       )  
Legal Assistant  
55 Francisco  
Itel Rail Corp.  
San Francisco, Calif. 94133

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/18/85 at 1:40pm and assigned re-recording number(s). 9460-E & 9460-F

Sincerely yours,

  
Secretary

Enclosure(s)

SEP 18 1985 - 1 40 PM

08/01/85 ASSIGNED TO FIRST SECURITY BANK LESSOR'S INTEREST ASSIGNED TO  
 OF UTAH, N.A., TRUSTEE, UNDER FIRST SECURITY BANK OF  
 A LEASE ASSIGNMENT DATED UTAH, N.A., WITH RESPECT TO  
 AS OF August 23, 1985 CARS NUMBERED MSE 1800-1824  
AMENDMENT NO. 2

THIS AMENDMENT NO. 2 (the "Amendment") to that certain Lease Agreement (the "Agreement") made as of April 25, 1978, between ITEL CORPORATION, RAIL DIVISION and MISSISSIPPI EXPORT RAILROAD COMPANY ("Lessee") is made this 23rd day of August, 1985 between ITEL RAIL CORPORATION, as successor in interest to Itel Corporation, Rail Division, as Lessor ("Itel Rail").

## R E C I T A L S:

- A. Itel Rail and Lessee are parties to the Agreement pursuant to which two hundred (200) boxcars bearing the reporting marks MSE 800-999 (together with the boxcars listed on the Schedules attached hereto, the "Cars") have been leased by Itel Rail to Lessee.
- B. The Cars bearing the reporting marks MSE 856; 874; 875; 920 and 970 were destroyed on August 7, 1980; August 13, 1978; May 3, 1981; September 16, 1981; and May 20, 1982 respectively.
- C. Itel Rail and Lessee desire to correct the dimensions of the Cars on Equipment Schedules No. 1, 2, 3, 4, 5, 6, 7, and 8.
- D. Itel Rail and Lessee agree that Lessee shall lease additional boxcars from Itel Rail as set forth below.

NOW, THEREFORE, in consideration of the premises and mutual agreements herein contained, the parties hereto agree to amend the Agreement as follows:

1. All terms defined in the Agreement shall have the meanings defined therein when used in this Amendment.
2. Equipment Schedules No. 1, 2, 3, 4, 5, 6, 7 and 8 are hereby deleted in their entirety and replaced by Equipment Schedules No. 1.A., 2.A., 3.A., 4.A., 5.A., 6.A., 7.A., and 8.A., attached hereto.
3. Equipment Schedule No. 9.A., attached hereto, which list twenty-five (25) boxcars bearing the reporting marks MSE 1800-1824, is added to and made a part of the Agreement.
4. Equipment Schedules No. 10.A. and 11.A., attached hereto, which list twenty-five (25) boxcars each bearing the reporting marks MSE 1825-1849 and MSE 1850-1874 respectively shall be added to and made a part of the Agreement upon the mutual consent of the parties.
5. With respect to the Cars listed on Equipment Schedules No. 9.A., 10.A. and 11.A. only, subsection 2.A. of the Agreement is hereby replaced by the following:

"A. This Agreement shall remain in full force until it shall have been terminated as to all the Cars as provided herein. The term of the Agreement with respect to each Car on Equipment Schedules No. 9.A., 10.A. and 11.A. shall commence at 12:01 a.m. on the date and at the location that such Car is remarked pursuant to subsection 3.A., and shall expire as to all of the Cars described on Equipment Schedules No. 9.A., 10.A. and 11.A. on September 27, 1993 (the "Initial Term")."

6. With respect to the Cars listed on Equipment Schedules No. 9.A., 10.A. and 11.A. only, subsection 3.A. of the Agreement is hereby replaced by the following:

"A. Lessee hereby approves the specifications of the Cars delivered to it by Itel Rail. Itel Rail shall, at its expense, remark the Cars with the railroad markings of Lessee in compliance with all applicable regulations. Each Car shall be deemed delivered and subject to the terms and provisions of this Agreement at 12:01 a.m. on the date and at the location such Car is remarked ("Delivery"). After the Cars have been remarked, the Cars shall be moved to Lessee's railroad line at no cost to Lessee as soon as is consistent with mutual convenience and economy. Notwithstanding that Lessee may not have immediate physical possession of the Cars leased hereunder, Lessee agrees to pay the rent set forth in this Agreement. To move the Cars to Lessee's railroad line and to ensure optimal use of the Cars after the Initial Loading (as hereinafter defined), Itel Rail agrees to assist Lessee in monitoring Car movements and, when deemed necessary by Lessee and Itel Rail, to assist in the issuance of movement orders with respect to such Cars to other railroad lines in accordance with Interstate Commerce Commission ("ICC") and Association of American Railroads ("AAR") interchange rules adopted by the AAR Mechanical Division, Operations and Maintenance Department ("Interchange Rules"). If Itel Rail incurs expenses in having other railroads move Cars in accordance with this section with Lessee's written request or approval, except for any expenses incurred in the initial delivery of such Cars to Lessee's railroad line pursuant to this section, Lessee shall reimburse Itel Rail for such expenses within ten (10) days of receipt of an invoice from Itel Rail. For the purposes hereof and of Section 6. of the Agreement, the term "Initial Loading" as to each Car, shall be the earlier to occur of either: 1) the date such Car shall have been loaded off Lessee's railroad line with the first load of freight; or 2) the thirty-first (31st) day after such Car is delivered pursuant to this section. The delivery of the Cars listed on Equipment Schedule No. 9.A. shall commence upon the final execution of this Amendment. The Cars listed on Equipment Schedules No. 10.A. and 11.A. shall be delivered to Lessee only upon written mutual agreement of the parties hereto."

7. With respect to the Cars listed on Equipment Schedules No. 9.A., 10.A. and 11.A. only subsection 3.C. of the Agreement is hereby replaced by the following:

"C. Additional Cars shall be leased from Itel Rail by Lessee only upon the mutual agreement of the parties. During the term of this Agreement, Itel Rail may, at its expense, replace any or all of the Cars with similar boxcars upon prior written notice from Itel Rail to Lessee; provided, however, that any such replacement shall not prevent or prohibit Lessee from fulfilling its obligations to provide transportation and facilities upon reasonable request therefor."

8. The parties waive the requirement in Subsection 3.C. that the addition of the Cars being added pursuant to this Amendment not be likely to reduce Utilization of all Cars below 87.5 percent.

9. Section 4 of the Agreement is hereby amended by the addition of the following:

"E. Lessee hereby authorizes Itel Rail to be the subscriber to the car hire exchange tape, Train 62 Junction Advices, and the Train II (65, 67 and 80) Location Advices with respect to the Cars and agrees to execute any documents necessary for such authorization."

10. Section 6 of the Agreement is hereby amended by the addition of the following:

"J. Itel Rail and Lessee agree to cooperate with and to assist each other in any reasonable manner requested to establish and pursue proper claims against parties responsible for loss or destruction of, or damage to, the Cars, provided, however, that this shall not affect their respective obligations under this section 6."

11. With respect to the Cars listed on Equipment Schedules No. 9.A., 10.A. and 11.A. only, the words "thirty (30) days" in section 9 of the Agreement shall be replaced by the words "one hundred twenty (120) days."

12. Except as expressly modified by this Amendment, all terms and provisions of the Agreement shall remain in full force and effect.

13. This Amendment may be executed by the parties hereto in any number of counterparts and all such counterparts taken together shall be deemed to constitute one and the same instrument.

ITEL RAIL CORPORATION

By: 

Title: President

Date: August 23, 1985

MISSISSIPPI EXPORT RAILROAD COMPANY

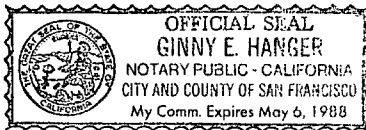
By: 

Title: VICE PRESIDENT & GENERAL MGR.

Date: AUG. 6, 1985

STATE OF CALIFORNIA     )  
                                  ) ss:  
COUNTY OF SAN FRANCISCO )

On this 23rd day of August, 1985, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of Itel Rail Corporation, that the foregoing Amendment No. 2 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Ginny E. Hanger  
Notary Public

STATE OF MISSISSIPPI     )  
                                  ) ss:  
COUNTY OF JACKSON     )

On this 6th day of August, 1985, before me personally appeared R. A. Paul, to me personally known, who being by me duly sworn says that such person is Vice President-General Manager of Mississippi Export Railroad Company, that the foregoing Amendment No. 2 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna Lee  
Notary Public

My Commission Expires 12-5-86

EQUIPMENT SCHEDULE NO. 1.A.

Itel Rail Corporation hereby leases the following Cars to Mississippi Export Railway Company subject to the terms and conditions of that certain Lease Agreement dated as of April 25, 1978.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions		Doors Width	No. of Cars
				Inside Width	Height		
XM	70-Ton 50'7" Inside Length, Plate C With Nailable Steel Floors, 10' Wide Door Opening, Sliding Type Doors With End of Car Cushioning, Single Sheath Boxcar	MSE 800-824	50'7"	9'6"	11'0"	10'	25

ITEL RAIL CORPORATION

By: *W. Mayes*

Title: *President*

Date: *August 23, 1985*

MISSISSIPPI EXPORT RAILROAD COMPANY

By: *R. C. Paul*

Title: VICE PRESIDENT & GENERAL MGR.

Date: AUG. 6, 1985

EQUIPMENT SCHEDULE NO. 2.A.

Itel Rail Corporation hereby leases the following Cars to Mississippi Export Railway Company subject to the terms and conditions of that certain Lease Agreement dated as of April 25, 1978.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions		Doors Width	No. of Cars
				Inside Width	Height		
XM	70-Ton 50'7" Inside Length, Plate C With Nailable Steel Floors, 10' Wide Door Opening, Sliding Type Doors With End of Car Cushioning, Single Sheath Boxcar	MSE 825-849	50'7"	9'6"	11'0"	10'	25

ITEL RAIL CORPORATION

By: DP Hayes

Title: President

Date: August 23, 1985

MISSISSIPPI EXPORT RAILROAD COMPANY

By: R. C. Paul

Title: VICE PRESIDENT & GENERAL MGR.


Date: AUG. 6, 1985

EQUIPMENT SCHEDULE NO. 3.A.


Itel Rail Corporation hereby leases the following Cars to Mississippi Export Railway Company subject to the terms and conditions of that certain Lease Agreement dated as of April 25, 1978.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions Inside Width	Height	Doors Width	No. of Cars
XM	70-Ton 50'7" Inside Length, Plate C With Nailable Steel Floors, 10' Wide Door Opening, Sliding Type Doors With End of Car Cushioning, Single Sheath Boxcar	MSE 850-855, 857-873	50'7"	9'6"	11'0"	10'	23

ITEL RAIL CORPORATION

By:   
Title: President  
Date: August 23, 1985

MISSISSIPPI EXPORT RAILROAD COMPANY

By:   
Title: VICE PRESIDENT & GENERAL MGR.  
Date: AUG. 6, 1985

EQUIPMENT SCHEDULE NO. 4.A.

Itel Rail Corporation hereby leases the following Cars to Mississippi Export Railway Company subject to the terms and conditions of that certain Lease Agreement dated as of April 25, 1978.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions		Doors Width	No. of Cars
				Inside Width	Height		
XM	70-Ton 50'7" Inside Length, Plate C With Nailable Steel Floors, 10' Wide Door Opening, Sliding Type Doors With End of Car Cushioning, Single Sheath Boxcar	MSE 876-899	50'7"	9'6"	11'0"	10'	24

ITEL RAIL CORPORATION

By: AP Hayes

Title: President

Date: August 23, 1985

MISSISSIPPI EXPORT RAILROAD COMPANY

By: R. C. Paul

Title: VICE PRESIDENT & GENERAL MGR.

Date: AUG. 6, 1985

EQUIPMENT SCHEDULE NO. 5.A.

Itel Rail Corporation hereby leases the following Cars to Mississippi Export Railway Company subject to the terms and conditions of that certain Lease Agreement dated as of April 25, 1978.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions Inside		Height	Doors Width	No. of Cars
				Width				
XM	70-Ton 50'6" Inside Length, Plate C With Nailable Steel Floors, 10' Wide Door Opening, Sliding Type Doors With End of Car Cushioning, Single Sheath Boxcar	MSE 900-919, 921-924	50'6"	9'6"		11'1"	10'	24

ITEL RAIL CORPORATION

By: AD Hayes  
Title: President  
Date: August 23, 1985

MISSISSIPPI EXPORT RAILROAD COMPANY

By: R. C. Paul  
Title: VICE PRESIDENT & GENERAL MGR.  
Date: AUG. 6, 1985

EQUIPMENT SCHEDULE NO. 6.A.

Itel Rail Corporation hereby leases the following Cars to Mississippi Export Railway Company subject to the terms and conditions of that certain Lease Agreement dated as of April 25, 1978.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions		Height	Doors Width	No. of Cars
				Inside Width				
XM	70-Ton 50'6" Inside Length, Plate C With Nailable Steel Floors, 10' Wide Door Opening, Sliding Type Doors With End of Car Cushioning, Single Sheath Boxcar	MSE 925-949	50'6"	9'6"		11'1"	10'	25

ITEL RAIL CORPORATION

By: W. D. Baynes  
Title: President  
Date: August 23, 1985

MISSISSIPPI EXPORT RAILROAD COMPANY

By: R. G. Paul  
Title: VICE PRESIDENT & GENERAL MGR.  
Date: AUG 6, 1985

EQUIPMENT SCHEDULE NO. 7.A.

Itel Rail Corporation hereby leases the following Cars to Mississippi Export Railway Company subject to the terms and conditions of that certain Lease Agreement dated as of April 25, 1978.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions		Doors Width	No. of Cars
				Inside Width	Height		
XM	70-Ton 50'6" Inside Length, Plate C With Nailable Steel Floors, 10' Wide Door Opening, Sliding Type Doors With End of Car Cushioning, Single Sheath Boxcar	MSE 950-969, 971-974	50'6"	9'6"	11'1"	10'	24

ITEL RAIL CORPORATION

By: *D. Hays*  
Title: *President*  
Date: *August 23, 1985*

MISSISSIPPI EXPORT RAILROAD COMPANY

By: *R. C. Paul*  
Title: VICE PRESIDENT & GENERAL MGR.  
Date: AUG. 6, 1985

EQUIPMENT SCHEDULE NO. 8.A.

Itel Rail Corporation hereby leases the following Cars to Mississippi Export Railway Company subject to the terms and conditions of that certain Lease Agreement dated as of April 25, 1978.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions Inside Width	Height	Doors Width	No. of Cars
XM	70-Ton 50'6" Inside Length, Plate C With Nailable Steel Floors, 10' Wide Door Opening, Sliding Type Doors With End of Car Cushioning, Single Sheath Boxcar	MSE 975-999	50'6"	9'6"	11'1"	10'	25

ITEL RAIL CORPORATION

By: DD Hayes

Title: President

Date: August 23, 1985

MISSISSIPPI EXPORT RAILROAD COMPANY

By: R. G. Paul

Title: VICE PRESIDENT & GENERAL MGR.

Date: AUG. 6, 1985

EQUIPMENT SCHEDULE NO. 9.A.

Itel Rail Corporation hereby leases the following Cars to Mississippi Export Railway Company subject to the terms and conditions of that certain Lease Agreement dated as of April 25, 1978.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions		Height	Doors Width	No. of Cars
				Inside Width				
XM	70-Ton 50'6" Inside Length, Plate C With Nailable Steel Floors, With Center of Car 20" Cushioning, Single Sheath Boxcar	MSE 1800-1824	50'6"	9'6"		10'7"	2-8' Plug	25

ITEL RAIL CORPORATION

By: AD Hayes  
Title: President  
Date: August 23, 1985

MISSISSIPPI EXPORT RAILROAD COMPANY

By: R. C. Paul  
Title: VICE PRESIDENT & GENERAL MGR.  
Date: AUG. 6, 1985

EQUIPMENT SCHEDULE NO. 10.A.

Itel Rail Corporation hereby leases the following Cars to Mississippi Export Railway Company subject to the terms and conditions of that certain Lease Agreement dated as of April 25, 1978.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions		Height	Doors Width	No. of Cars
				Inside Width				
XM	70-Ton 50'6" Inside Length, Plate C With Nailable Steel Floors, With Center of Car 20" Cushioning, Single Sheath Boxcar	MSE 1825-1849	50'6"	9'6"		10'7"	2-8' Plug	25

ITEL RAIL CORPORATION

By: *DP Blythe*

Title: President

Date: August 23, 1985

MISSISSIPPI EXPORT RAILROAD COMPANY

By: *R. C. Paul*

Title: VICE PRESIDENT & GENERAL MGR.

Date: AUG. 6, 1985

EQUIPMENT SCHEDULE NO. 11.A.

Itel Rail Corporation hereby leases the following Cars to Mississippi Export Railway Company subject to the terms and conditions of that certain Lease Agreement dated as of April 25, 1978.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions		Height	Doors Width	No. of Cars
				Inside Width				
XM	70-Ton 50'6" Inside Length, Plate C With Nailable Steel Floors, With Center of Car 20" Cushioning, Single Sheath Boxcar	MSE 1850-1874	50'6"	9'6"		10'7"	2-8' Plug	25

ITEL RAIL CORPORATION

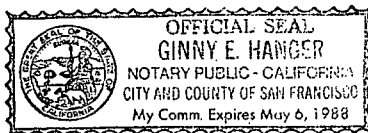
By: AD Hayes  
Title: President  
Date: August 23, 1985

MISSISSIPPI EXPORT RAILROAD COMPANY

By: R. A. Paul  
Title: VICE PRESIDENT & GENERAL MGR.  
Date: AUG. 6, 1985

STATE OF CALIFORNIA       )  
  ) ss:  
COUNTY OF SAN FRANCISCO )

On this 23rd day of August, 1985, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of Itel Rail Corporation, that the foregoing Equipment Schedules No. 1.A., 2.A., 3.A., 4.A., 5.A., 6.A., 7.A., 8.A. and 9.A., 10.A. and 11.A. were signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Ginny E. Hanger  
Notary Public

STATE OF MISSISSIPPI       )  
  ) ss:  
COUNTY OF JACKSON       )

On this 6th day of August, 1985, before me personally appeared R. A. Paul, to me personally known, who being by me duly sworn says that such person is Vice President-General Manager of Mississippi Export Railroad Company, that the foregoing Equipment Schedules No. 1.A., 2.A., 3.A., 4.A., 5.A., 6.A., 7.A., 8.A. and 9.A., 10.A. and 11.A. were signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna Lee  
Notary Public

My Commission Expires 12-5-86